

AFFIDAVIT OF STEPHEN J. CALABRESE


State of Florida

County of Broward County

The affiant, Stephen Joseph Calabrese, after being duly sworn, states upon oath that the following is based upon his own knowledge and that if called to testify, he would competently state as follows:

- 1. I am Stephen Joseph Calabrese.**
- 2. I am a citizen of the United States of America and resident of the State of Florida and reside at 1705 Vestal Drive, Coral Springs, Florida 33071**
- 3. I am the inventor and former owner of Critical RF, a company incorporated in the State of Florida in April, 2003**
- 4. In July, 2005, I was introduced to Donald R. DePriest and John Reardon who represented themselves as officers of Maritime Communications/Land Mobile, LLC (MC/LM, LLC)**
- 5. DePriest and Reardon were in Florida to sell and lease radio frequencies on the 220 AMCTS band to Henry Fitzgerald and Doug Sinclair of Rapid Wireless and SunTALK, Margate, Florida.**
- 6. Following negotiation with DePriest and Reardon, I agreed to enter into a consultancy agreement as adviser for Critical RF technology for the remainder of 2005 for a monthly consulting fee.**
- 7. It was further agreed that, as owner, I would sell Critical RF to MC/LM, LLC in 2006 for the initial sum of \$1,000.00 and an annual salary of \$96,000.00, plus expenses.**
- 8. During the period following the sale of Critical RF in 2006 annual sales of Critical RF increased from \$11,000.00 to an amount in excess of \$250,000.00, per year.**

Donald DePriest and John Reardon are officers of MCLM and conduct business for it.



9. In the second half of 2009 and throughout 2010, my salary and expenses had not been paid by MC/LM, LLC as of the signing of this Affidavit.

No meetings with Sandra DePriest the alleged sole owner and officer of MCLM.

10. At no time in my negotiations involving the sale of Critical RF to DePriest or Reardon as officers of MC/LM, LLC did I meet or enter into discussions with Sandra DePriest.

11. In late 2009, MC/LM, LLC failed to pay my salary and expenses and continued this practice during 2010.

12. The total of unpaid salary and expenses exceeded \$27,000.00.

13. In February, 2010, MC/LM, LLC transferred \$6,000.00 to me as partial payment.

14. In March, 2010, DePriest agreed in a registered letter to me to pay the balance due under the terms of the Critical RF sale agreement.

15. Despite several verbal assurances DePriest has not paid the amount outstanding.

16. The failure to pay my salary and expenses by DePriest has caused severe financial strain on me and on my parents.

17. On June 3, 2010, after the exchange of several acrimonious exchanges between me and Depriest during the preceding weeks, DePriest issued a cease and desist notice through Seyfarth Shaw, LLP.

18. At no time since my initial meeting in 2005 with DePriest and Reardon did I have any contact whatsoever with Sandra DePriest.

19. I aver substantial financial damage, hardship and stress as a result of MC/LM, LLC's egregious behavior that showed a disregard of the terms of the sale of Critical RF, a breach of the inherent fiduciary duty of a buyer and seller and the absence of cooperation with the Seller to correct numerous mistakes caused by refusing to abide by the terms of the sale of Critical RF.

Further, Affiant saith not.

Signed: */Steve Calabrese/* 6/8/10
3:50PM

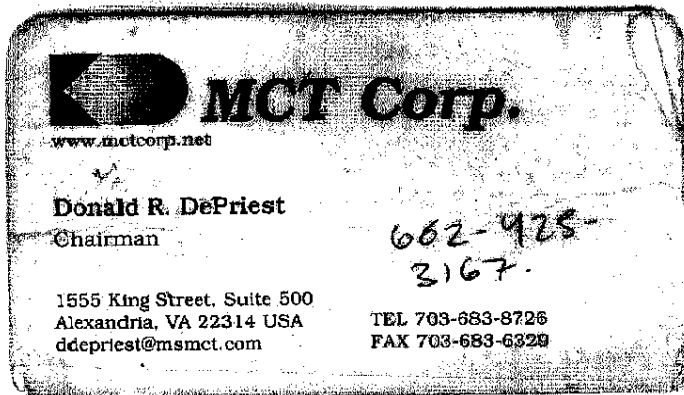
Stephen Joseph Calabrese

Dated: June 8, 2010

Donald DePriest business card listing him as Chairman of MCT Corp.

ATTN: Jimmy or (540) 740-3442
WARREN

RE: Business Card Circa 2006



THIS IS the business card Don
DEPRIEST GAVE ME WHEN HE APPROACHED
ME TO BUY MY COMPANY.

Sincerely
STEVE HARRIS
8/24/10

MCLM Fax
cover listing
John
Reardon


John Reardon
Maritime Communications/
Land Mobile, LLC
218 North Lee Street, Suite 318
Alexandria, VA 22314
703/778-6555 Fax: 703/548-4399

Facsimile Transmission Information Page

To: Steve Calabrese From: John Reardon
Fax: ~~954 574 1378~~ Pages: 12
Phone: 954 753 6609 Date: 3/15/06
Re: _____ CC: _____

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

• Comments:

Steve,
I look forward to working with you.
Congratulations! 

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MCLM Purchase of
Critical RF Inc.:
contract is signed by
John Reardon.

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement ("Agreement") is made as of the 10th day of March 2006, by and among Maritime Communications/Land Mobile, LLC (hereinafter referred to as the "Buyer") a Delaware Corporation, on the one hand, and Stephen Calabrese ("Seller") and Critical RF, Inc. ("CRF"), on the other hand, for the purchase by Buyer from Seller of any and all outstanding shares of CRF.

Buyer, Seller and CRF, hereinafter "Parties", intending to be legally bound, agree as follows:

Article I – Definition

- a) The term "Buyer" shall mean Maritime Communications/Land Mobile, LLC.
- b) The term "Seller" shall mean Stephen Calabrese.
- c) The term "CRF" shall mean that Florida corporation which owns and makes Voice over Internet Protocol ("VoIP") products, and any work, direction of work, technical information, technical consulting, or other technical services (including but not limited to design services, analytical services, radio development work, and other specialized engineering services) furnished by Seller to CRF in the past.

Article II – Purchase and Sale of CRF.

- a) Buyer agrees to pay to Seller One Thousand Dollars (\$1,000.00) as the purchase price for all of the outstanding stock of CRF. Such payment shall be made on the closing date of this transaction.
- b) Seller agrees to furnish to Buyer any and all stock certificates, corporate minute books, and similar accounts and information of CRF. Seller shall assign and convey any and all outstanding stock of CRF at the closing. Seller does hereby convey all intellectual property rights owned by Seller and owned by CRF.
- c) Buyer and Seller agree, at the closing, to enter into an Employment Agreement whereby Seller shall be employed by Buyer as the Vice President and Chief Technology Officer of Buyer's subsidiary, CRF. A copy of that Employment Agreement is attached as Exhibit A.
- d) The Closing of this transaction shall take place within five (5) business days of its execution. Such closing shall occur in Buyer's offices in Alexandria, Virginia or at a mutually convenient location.

Article III – Representations and Warranties

- a) Buyer represents that it has the corporate authority to purchase Seller's stock in CRF.
- b) Seller and CRF represent that Seller owns 100% of the issued and outstanding stock of CRF, and that there are no promises, whether written or verbal, to third parties for the issuance or delivery of stock of CRF. Seller and CRF further represent that CRF owns all necessary intellectual property rights to the equipment, software and solutions currently marketed under the names Sitcast, Safety Net and Virtual Base Station. Attached as Exhibit B is a description of these CRF products. Seller and CRF further represents that by purchasing all of the Seller's stock of CRF, Buyer shall obtain those same product rights.
- c) Seller and CRF represent that there is no outstanding debt of CRF greater than \$10,000 total. Seller and CRF further represent that it will operate CRF in the ordinary course of business between the date of this Agreement and the Closing Date.

Article IV – Nonassignability

Seller agrees that this Agreement, including the Employment Agreement attached, is unique and that Seller may not assign it to a third party without Buyer's prior written consent.

Article V – Indemnification

- a) Seller shall indemnify, defend, and hold harmless Buyer from and against all claims and actions and all expenses incidental to such claims or actions, based upon or arising out of damage to property or injuries to persons or other tortuous acts caused or contributed to by Seller or anyone acting under Seller's direction or control or on his behalf in the course of his performance prior to the closing of this Agreement.
- b) Buyer shall indemnify, defend, and hold harmless Consultant from and against all claims and actions and all expenses incidental to such claims or actions, based upon or arising out of damage to property or injuries to persons or other tortuous acts caused or contributed to by Buyer or anyone acting under Buyer's direction or control or on his behalf in the course of his performance prior to the closing of this Agreement.

Article VI – Audit and Records

Seller and CRF agree that they have kept accurate records and books of accounting showing all charges, disbursements, or expenses made or incurred by Seller or CRF in the performance of the CRF business. CRF has paid all taxes which are due and owing. Buyer shall have the right, upon reasonable notice, to audit the records of CRF.

Article VII – Ownership of Documents

Buyer shall have complete and unrestricted ownership and use of all intellectual property, work product, and similar processes and documents prepared by Seller, Seller's agents, and/or CRF. Said intellectual property includes SiteCust, SafetyNet and the Virtual Base Station products, among others. Such products and documents are to be the property of the Company and are not to be used on other projects except by agreement of Company in writing. This shall not include any information, documents, drawings, or compilations that shall have been publicly available and therefore considered in the public domain.

Article VIII – Contracts

- a) Attached as Exhibit C is a list of all customer contracts between CRF and third party customers. Seller and CRF shall assign these contracts to Buyer at or before the closing of this transaction.
- b) Attached as Exhibit D is a list of all consultants, contractors, subcontractors or other third parties used by Seller or CRF to deliver products or services. Next to each item is a description of the work performed and the money owed, if any.

Article IX – Governing Laws/Disputes

This agreement shall be governed by the laws of Florida. Notwithstanding any other provisions of this Agreement, any dispute concerning any question of fact or law arising under this Agreement which is not disposed of by agreement of the Parties shall be decided by binding arbitration. Such arbitration shall take place within 90 days of written notice by one party to the other, and shall be held in Alexandria, Virginia, under the rules of the American Arbitration Association.

Article X – Reports

Buyer shall have the right to request written reports at any time during the performance of this Agreement, which reports shall be furnished by Seller within seven (7) days after such request, in the manner directed, describing progress, status of, costs data, and other matters pertaining to the employment services rendered.

Article XI – CRF-Furnished Data

All engineering data, maps, plans, specifications, drawing, or other CRF-furnished property shall be the exclusive property of Buyer. Seller agrees that such CRF property will be used for no purpose other than for work for Buyer under this Agreement. Seller shall be responsible for its safekeeping. Upon termination of Seller's employment relationship voluntarily by Seller, or for cause by Buyer, as described in the Exhibit A, such property shall be delivered to, and retained by, the Buyer.

Article XII – Proprietary Information

Seller does hereby convey all intellectual property. Seller also conveys all proprietary information concerning CRF, its products, data, documentation services, or manufacturing processes to Buyer as a result of this Agreement, unless subject to the doctrine of prior art and available in the public domain. All rights are granted to Buyer to produce or have produced any such proprietary information and/or to practice or cause to reveal, disclose, or publish any such data and/or documentation.

Article XIII – Publicity

- a) No publicity releases (including news releases and advertising) relating to this Agreement and the services hereunder shall be issued by Seller or CRF without prior written approval of Company.
- b) Any technical paper, article, publication, or announcement of advances generated in connection with the services under this Agreement, during the period of performance of the Agreement shall require Buyer's prior written approval.

Article XIV – Covenant of Noncompetition

Seller agrees his services are unique in the two way radio VoIP industry, and as such, that for the period of his employment by Buyer, and for one year thereafter if Seller leaves voluntarily or is terminated for cause as defined in the attached Employment Agreement, he shall not compete against Buyer.

Article XV – Notices

All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if mailed first class or transmitted by facsimile:

- a) To Consultant, at: Stephen Calabrese
Critical RF, Inc.
1705 Vestal Drive
Coral Springs, Florida 33071
Fax: (954) 753-6609
- b) To the Company, at: John Reardon
MCLM, LLC
218 North Lee Street, Suite 318
Alexandria, VA 22314
Fax: (703) 548-4399

Reardon is
contact for
MCLM on
contract for
purpose of
notices.

Article XVI - Entire Agreement

This Agreement and its Exhibits A-D constitute the entire agreement between Buyer, Seller and CRF. It supersedes all prior contemporaneous communication, representations of agreements whether oral or written with respect to the subject matter thereof and has been induced by no representations, statements, or agreements other than those herein expressed. No agreement herein made between the parties shall be binding on either party unless reduced to writing and signed by an authorized officer of the party sought to be bound.

STEPHEN CALABRESE

By: _____

Date: _____

3/15/06

Agreement is signed by "authorized officer".

CRITICAL RF, INC.

By: _____

Date: _____

3/15/06

President

MCLM, LLC

By: _____

Date: _____

3/15/06

John Reardon signs this sale contract on behalf of MCLM in March 2006, while MCLM's Form 601 was still pending. Yet, MCLM and Sandra DePriest say that Reardon is not an officer and Reardon has not come forward to the FCC stating otherwise.

This document, among many others, shows that John Reardon, contrary to MCLM's and Sandra DePriest's statements under penalty of perjury to the contrary, is an officer of MCLM.

Exhibit A

Employment Agreement

This Employment Agreement, entered into as of the 15th day of March, 2006, is by and between MCLM, LLC ("Employer") and Stephen Calabrese ("Employee").

1. **Employment.** Employer agrees to employ Employee as the Vice President and Chief Technology Officer of Employer's subsidiary, Critical RF, Inc.
2. **Responsibilities.** Employee shall be responsible for the technical development, installation, and software management for Voice over Internet Protocol ("VoIP") products and services to be offered by Employer and its affiliates, Critical RF, Inc. Those existing products and services include SiteCast, Safety Net, Virtual Base Station, and other products and services to be developed under the direction of Employee, such as web-hosting, cellular-radio VoIP, etc. Working at the Employer's direction, Employee shall retain outside consultants, assist in recruiting employees, and train sales people and engineers. Employee shall regularly attend trade shows, investor conferences, and potential customer meetings to promote and explain the products and services. Employee shall devote his full time and effort to these responsibilities.
2. **Reporting.** Employee shall report directly to John Reardon, President and CEO of MCLM, LLC. Employee shall participate in regular senior management meetings and Board meetings, and Employee shall develop reports and analyses of industry trends, product developments, etc. for such meetings.
3. **Compensation.** Employee shall receive an annual base salary of \$96,000. Employee shall also be eligible to receive annual or periodic incentive payments, up to 20% of base salary. These incentives shall be based upon achievement of performance criteria to be mutually developed by Employee and John Reardon. In addition, Employee shall be eligible to participate in the employee benefits programs available to other employees, including health insurance, two weeks paid vacation, and 401(k) plans. Employee shall also receive the right to purchase twenty percent (20%) of the stock of CRF for payment of \$200. This stock purchase right shall expire, if not exercised by Employee, within ninety (90) days of the hire date of Employee.
4. **Termination of Employment.**
 - A. **Voluntary Termination by Employee.** Employee may voluntarily terminate the employment relationship at any time. In that event, Employer shall retain all right and title to the intellectual property created by Employee during the employment period, as well as prior to the employment period. In addition, Employee shall sell or assign to Employer all of its 20% stock interest for \$200 in cash, paid within 90 days of the date of termination of employment by employee.

John Reardon is President and CEO of MCLM.

B. Voluntary Termination by Employer. In the event of voluntary termination of employment by Employer, without cause, Employer agrees that it shall pay Employee six months severance, and that Employee shall retain its 20% stock ownership as described in paragraph 3 above.


C. Termination by Employer with Cause. In the event that Employee: (1) fails to devote his time and effort to Employer, or (2) is convicted of a felony; or (3) misappropriates company property for his personal benefit; then Employee may be terminated by Employer for cause. Employer shall first send a letter to Employee notifying Employee of the potential grounds for termination without cause. Employee shall have ten (10) days to respond and rectify the situation, if possible. In the event Employee does not respond and fails to rectify the situation promptly, then Employer may terminate the employment of Employee, with cause. In the event of termination with cause, Employee shall sell his 20% stock ownership as described in paragraph 3 above, to Employer for \$200.

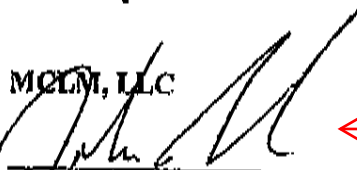
5. Noncompetition. In the event of voluntary termination of employment by Employee, or Termination by Employer with Cause as described in sections 4(A) and 4(C) above, then Employee agrees that for a period of one year from his last date of employment, Employee will not: (1) directly or indirectly represent, be employed by, consult for, or otherwise be associated with any competitive service provider in the two way radio industry or any two way radio manufacturer, in the same capacity for which Seller is providing services under this Agreement; and (2) enter into a technical consulting contract that will conflict with like specific interests of Employer. Because of the global nature of the two-way VoIP technology, the geographic scope of this non-compete agreement shall encompass any two-way radio service provider or two-way radio manufacturer, with operations based in the United States of America, or that exports two way radio products or services to the United States of America. This non-compete shall not include two-way radio operators, manufacturers, or service providers who operate exclusively outside the United States of America.

6. Nonsolicitation. Employee agrees that if Employee voluntarily terminates employment, or if Employee is terminated for cause, then Employee and any individual or entity under Employee's direct control, will not solicit, hire, or retain, as an employee or independent contractor any employee or former employee of CRF or MCLM, without the prior written consent of an authorized executive officer of MCLM, LLC.

7. Arbitration. Employer and Employee agree to arbitrate any disputes in accordance with the terms outlined in the Stock Purchase Agreement.

Agreed to by:


Stephen Calabrese

MCLM, LLC

John Reardon

John Reardon signs for MCLM.

Exhibit B

Description of Critical RF Products and Services

P.11/12

To: 954 753 6609

663484399

MAR-15-2006 01:45PM From: 9545741378

ID: CRILEY OFFICES

Page: 011 R=94x

Exhibit C

Description of Customer Contracts

Exhibit D

List of Third Party Consultants, Work Performed, and Monies Owed, if Any

This is a business plan for Critical RF apparently sent from John Reardon to Donald DePriest. MCLM is the owner of Critical RF.

Business Plan for Critical RF, Inc.

Dear Don,

Steve Calabrese and I met for two days this week, Monday and Tuesday, and reviewed Critical RF, Inc. ("CRF") and its needs. Currently, Steve is the sole employee and main force behind the business. Our first item was to discuss CRF's product offerings.

I. CRF's Products:

A. PackeTUBE. This product is not made by CRF, it belongs to Engage, LLC, in California. Steve signed an agreement with Engage whereby he has the right to distribute PackeTUBE to the two way radio industry, tower industry and other non-cellular users. Steve is going to provide me with a copy of this agreement so I can verify its assignability and specifics.

Steve buys the product for \$1,000 and resells it for \$4,000. He does not charge recurring revenue, but we propose going forward that users would pay \$250 per month per link for CRF to monitor the link. In addition, tower companies could realize recurring revenue as a result of this product once it is installed at their site and offered to their tenants.

We agreed to explore giving away the PackeTUBE and charging more recurring revenue as a way to gain market share quickly. Steve and I need to find a way to streamline the installation process, which seems to involve more time and effort in coordinating the site visit, etc. than we would like.

B. SiteCast. This product sits between the repeater and the PC. Steve makes it for under \$100 and sells it for \$349. It is aimed at the two way radio dealer or user with a business fleet, rather than the public safety market.

SiteCast permits conversations among various devices. Steve believes there is a recurring revenue opportunity to maintain the server and get 10% of all revenue billed.

C. SafetyNet. This product is frequency agile, it connects 450 MHz, 700 MHz, 800 MHz, etc. It allows interoperability. Like SiteCast, it sits between the repeater and the PC. Steve sells it for \$3,400 and believes there is a recurring revenue opportunity by charging a licensing fee for software. Public Safety entities will not want CRF to monitor or maintain their server, so the licensing fee for software makes sense for recurring revenue.

Again, with proper funds to seed the market, it may be worthwhile for us to give away the SafetyNet and simply charge a licensing fee after a trial period. Once installed, Public Safety users will like it and keep it, we believe.

Competition to this product includes Motorola's Motobridge, which is a new product that they charge \$22K to buy plus \$4K/month to maintain. Cisco has a \$4,000 IPIX router and JPS has a voting device known as the ACU 1000. I need to learn more about these products to better position our offerings.

D. Virtual Base Station. This product allows multiple PC's to access the radio system. So, a dispatcher with many terminals could distribute the work among many workstations.

CRF charges \$349 for this product and offers five computers to be linked for that price. Steve also believes there is a recurring revenue component, perhaps from licensing fees.

Currently, Steve orders the components for SiteCast, SafetyNet and VBS from companies that ship the components to him. He assembles the components and solders the boards, etc.

We believe that an ODM like Nextek, Inc. would be a valuable resource, which would free Steve to focus on product development. Nextek could make the printed circuit boards and assemble the entire product offering for SiteCast, SafetyNet and VBS. We meet with Nextek on Wednesday.

II. Go to Market Strategy.

A. Hire Salespeople. Steve and I discussed immediately interviewing and hiring salespeople to sell these products. Because it is unclear if one or more of the products present protectable, proprietary technology, we believe that being the first-to-market needs to be our focus with public safety, utilities, operators, tower owners, etc. A sales force is needed to spread the message far and wide.

Steve and I would interview the prospects, and he would train them in the demonstration and performance of the products. He knows some candidates, and so do I. We will also hire an industry headhunter, George Orr, to work on a commission only basis.

1. Regional Salespeople. We believe that CRF should hire three general salespeople, one each for the Eastern, Central and Western United States. These salespeople would report to Steve and would be tasked to sell all four products: PacketUBE, SiteCast, SafetyNet and VBS.

We believe that candidates should have two way radio industry experience, and preferably be engineers with sales skills. These individuals would work from their homes, and would travel 90% of the time. We suggest base salary of \$60K, so that we get candidates with good credentials and experience. We suggest providing them with commission of 7% of their gross sales, excluding recurring revenue.

With a base salary of \$60K, travel costs, and access to a van paid for by the company, these salespeople would cost the company \$130K each per year, not including any commissions they may earn. We are looking for top drawer people, and that is probably the cost of getting them. We would hire them for a minimum six month term and review their progress after 90 days and again after six months.

The sales goal for each of these three individuals would be to reach \$30K/month in gross sales by the end of the three month period and \$50K per month by the end of six months.

I know of a candidate from Geotek, who is in the DC area. He may be willing to work for this type of opportunity.

2. PackeTUBE Salesperson. We would hire a salesperson to focus exclusively on selling PackeTUBE to large accounts, like national tower companies and nationwide cellular operators. This person would preferably have a background in the tower industry.

We could advertise with tower associations like PCIA, and also go through George Orr to find candidates for this position. I will talk with tower owners whom I know, perhaps Don, you know some owners who could give us referrals for candidates?

Donald
DePriest

Again, we propose to pay the candidate \$60K in salary and 7% of gross sales, excluding recurring revenue. This person's sales goals would be \$80K/month after 90 days, and \$150K month in gross sales after 6 months.

3. Latin America/Spanish Language Market. We also believe it makes sense to hire Dave Cocina, a contact of Steve's who currently works for BearCom in South Florida. Dave is regularly selling Steve's products to South and Central America, including a recent sale of two items to Venezuela. Dave speaks Spanish and could help in Florida as well as other areas with predominant Spanish owned communications businesses.

We propose the same salary and benefits levels for salespeople. The sales goals would be \$30K/month in gross sales by the end of the three month period and \$50K per month by the end of six months.

4. Public Safety/Government Sales. We believe it makes sense to hire one individual to focus on selling SafetyNet and other products to local public safety officials, such as police, fire, etc. and to also target national organizations, like APCO, IAFC, etc.

This person would have knowledge of Public Safety community needs, and experience in the radio or communications area. This person might have a military/systems background. They would be high level, and well known to CommNet, MaCOM, APCO, etc.

This person would be compensated just like the other sales people. Their sales goal would recognize the longer lead time for public safety decision-makers. For the first six months, they would have no minimum sales target, and after six months, they would be expected to have \$50K/month in sales.

B. In addition to hiring salespeople, we need to market the products. This will involve redesigning the Critical RF logo and brochures. Tim Smith's wife will do this for us, she is a graphic artist and does a great job. In addition, we will link the websites together.

Tradeshows are also an important aspect of our marketing strategy. We plan to have a booth at the upcoming Entellec (energy industry) trade show in mid-April, as well as UTC and IWCE in May. Again, Tim and his wife Cheri are working on the MCLM booth. We will need to incorporate some Critical RF brochures, information, displays and demo products into the booth, so that we share the cost but feature Critical RF as a separate offering for potential customers.

Tim Smith was listed on the MCLM website, before it was taken down, as a Vice President of MCLM. Tim Smith was also an officer of Mobex and Watercom.

IV. Budget

We believe the CRF business will incur \$110,000 per month in expenses over the next twelve month period. From a cashflow perspective, we believe the company will require \$110K per month for the next three months, as it hires and trains salespeople, spends money on travel and expenses, salaries, marketing materials and inventory. We believe that the company will be self-supporting within three months if we can promptly hire and train the six salespeople. Thus, our primary goal is to identify and hire good candidates, especially the exclusive PackeTUBE and Public Safety positions.

Annual costs include:

Steve Calabrese (Salary, benefits, travel)	\$175K
6 Salespeople (each \$60K salary, \$40K benefits, \$33K travel)	\$800K
Legal (patent applications, contracts, etc.)	\$200K
Initial inventory (1,000 boards)	\$ 50K
Marketing costs (tradeshows, booth, website, brochures)	\$ 25K
Lease of three vans for regional sales reps	\$ 40K
Miscellaneous (cell phones, shipping, storage, insurance, etc.)	\$ 35K

Total annual costs

\$1,325 Million

Costs will be fairly flat, i.e. \$110K per month. However revenues will begin small and increase over time. We project revenues for the first six months to be \$50K per month. Steve has a book of business of approximately \$80K, which should be realized during this three month timeframe.

Beginning with the sixth month, through the end of the 12-month period, we believe our sales will average more than \$100K per month, as salespeople gain momentum and public safety sales begin to come in. Thus, it is realistic that our revenue during the first year will be close to \$1 Million.

V. Legal Protection. We will work with the patent attorney, Dave Farah, to investigate protecting the IP developed by Steve and Critical RF. Now that we have closed our transaction, we can begin this process.

Steve also believes that there are future developments he can bring to market, including digital radios and other innovations. We will work closely with Dave Farah and his firm to protect these future works.

Donald
DePriest

Conclusion: Don, as you can see, Steve and I had a very productive meeting. I value our positive working relationship and know that these products will change the two way radio industry significantly.

This is a cease and desist letter from Critical RF to Mr. Calabrese. Critical RF is owned by MCLM. It is copied to Donald DePriest, John Reardon, and Tim Smith. Sandra DePriest is not copied at all.

131 South Dearborn Street
Suite 2400
Chicago, Illinois 60603
(312) 460-5000
fax (312) 460-7000
www.seyfarth.com

Writer's direct phone
(312) 460-5559

Writer's e-mail
mwexler@seyfarth.com

Writer's direct fax
(312) 460-7559

June 3, 2010

VIA U.S. MAIL AND E-MAIL CALABRESESTEVE4@GMAIL.COM

Steve Calabrese
1781 Oakton Street
Des Plaines, Illinois 60018

Re: Obligations Owed to Critical CRF, Inc. and Violations of Law

Dear Mr. Calabrese:

This law firm serves as litigation counsel to Critical CRF, Inc. ("CRF"). We write to you so that you might avoid costly and time-consuming litigation against you, and anyone acting in concert with you, to protect CRF's intellectual capital and enforce CRF's rights under the law and agreements which you signed with CRF.

While it is apparent that your departure from CRF has been disagreeable to you, and has been taken very personally by you, we are writing to you professionally regarding certain legal and business issues which we believe can be resolved amicably, short of litigation, such that everyone can go their separate ways and move on from here. As you should be aware, you signed certain agreements with CRF which contain non-competition provisions and as an apparent or prospective shareholder in CRF, you also owe a fiduciary duty to CRF that prohibits competitive activities and actions against CRF's interests both while you were employed by CRF and after your employment ceased. This prohibition is especially strong under Illinois law for those who are shareholders in a closely held corporation.

In order to resolve this matter, including your claims that you are owed certain monies by CRF, the following must immediately cease:

1. Representing at any time in any format that you are associated with CRF as an employee, founder, president or in any other capacity.
2. The website criticalrfdirect.com must be taken down as it violates your agreements, your fiduciary duty and certain federal laws regarding confusion as to source of origin.

3. You must cease selling CRF products as it violates your agreements and fiduciary duty.
4. You must return to CRF and stop using all CRF software in your possession or control.
5. You must cease your communications, blogging and internet activities in which you are commercially disparaging CRF and disparaging all individuals and their families associated with CRF.
6. You must cease all emails, texting and all other forms of communications threatening the safety of all individuals associated with CRF and their family members. We will not elaborate on this further as the violations of law should be self evident and the seriousness with which the courts and other officials take such statements.
7. You must cease all contacts with CRF's suppliers, customers, dealers, distributors and vendors.
8. You must cease using the CRF logo and any of its trademarks.
9. You must waive all claims of ownership in CRF.

CRF is prepared to deal with your claims against it in a professional manner so long as you are prepared to professionally abide by a written agreement in which the above issues are resolved once and for all. It should also be noted that your representations regarding the ownership of CRF's software upon the purchase of CRF and the damage incurred by CRF as a result of those representations must also be included in resolving this matter.

The purpose of this letter is to alert you to the fact that CRF intends to enforce its rights under your agreements and the law if a compromise cannot be quickly and amicably reached. Should CRF succeed on the merits of its case, you may be responsible for attorney's fees and damages, in addition to being enjoined.

CRF sends this letter without waiving or prejudicing its rights to pursue all forms of legal relief against you and those in concert with you. Because CRF is in a dispute with you, and possibly your affiliated companies and persons, that may result in litigation, you are directed to insure that all documents, records, evidence, electronic data and metadata related to these issues are preserved and are not altered, destroyed or compromised in any way whether in hard copy or an electronic format. This instruction also applies to your affiliated companies and persons.

We look forward to your prompt and favorable response to amicably resolve this matter no later than Tuesday, June 8, 2010. If you are not prepared to resolve this, that is certainly your choice, and CRF is prepared to initiate legal action regarding the activities identified in this letter.

If you would like to discuss this matter further, you or your attorney may contact me at (312) 460-5559.

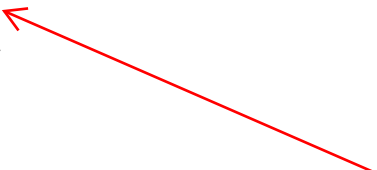
Very truly yours,

SEYFARTH SHAW LLP

Michael D. Wexler

MDW:jmp

cc: Don Depriest
John Reardon
Aric Holsinger
Tim Smith
Scott Newton
Bob Stevens



Donald DePriest, John Reardon and Tim Smith are copied on this letter, but Sandra DePriest, the alleged sole owner and officer of MCLM and thus of Critical RF is not. Per Critical RF's website, Aric Holsinger used to be the CFO for MCT Corp., for which Donald DePriest is Chairman.

Letter is addressed
to Donald DePriest
for Critical RF, Inc.

Stephen J. Calabrese
1705 Vestal Drive
Coral Springs, FL. 33071
January 24, 2010

Mr. Donald R. Depriest
510 7th Street North
Columbus, Mississippi 39701-4626

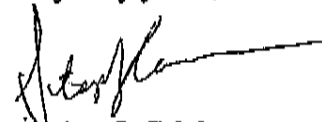
Dear Mr. Depriest:

As the second largest shareholder of Critical RF, Inc., I have sent a letter to Aric Holsinger, requesting financial information for 2007, 2008, and 2009. With much disappointment, I opened my 2009 W-2 statement. I am faced with the reality of an annual compensation of \$63,336.59, after renegotiating a new contract, at my loss, a new salary much lower than the original contract from 2006. I acted in good faith, for the benefit of the company. However, I have been erratically compensated, if at all, since October, 2009.

I am therefore requesting, as a stockholder of Critical R.F., Inc., a copy of the company's financial statement for the past three years. This would include a Balance Sheet, a listing of cash assets, and any Federal and State tax filings pertaining to Critical R.F. corporation.

I respectfully request this information, as my financial status has been damaged by the corporate situation, and I feel that I need to be more informed, ie: financial documents. My financial situation is quite dire, as the corporation has failed to compensate me for my necessary travel expenses and salary.

Very truly yours,



Stephen J. Calabrese

SJC/ac



Donald DePriest sends this letter
on Critical RF, Inc. letterhead

3/17/2010

Steve Calabrese
1705 Vestal Drive
Coral Springs, FL 33071

Dear Steve:

We have received and accepted your resignation effective March 12, 2010. You will be paid your accrued vacation that you have earned through March 15, 2010 totaling \$4,576.40. Please make arrangements for individual health, dental and other necessary insurance as your company insurance will be terminated effective March 31, 2010.

Please make arrangements to return all company property including laptops, software, hardware, and any other company property in your possession as soon as possible but no later than March 31, 2010. Please do not remove any proprietary company information from the company laptops. Final expense reports should be submitted no later than March 26, 2010.

We appreciate your dedication to the company and the efforts that you have made on behalf of Critical RF, Inc. and wish you the best in your future endeavors.

Sincerely,

Donald R. DePriest

Donald R. DePriest

Signed by Donald
DePriest.



This letter is signed by Donald DePriest as the Chairman and CEO of Critical RF, Inc. Critical RF is owed by MCLM.

March 31, 2010

Mr. Stephen J. Calabrese
1705 Vestal Drive
Coral Springs, FL 33071

Via: Electronic Mail
And Federal Express Overnight

Dear Steve:

This will confirm that Critical RF, Inc. is interested to settle the outstanding amount owed to you as soon as possible. Your expenses will be reimbursed in the amount of \$4,704.11. Your accrued salary amounts to \$17,716.62 for the first quarter up to the date of your resignation. In addition you are entitled to an amount of \$4,576.40 for accrued but unused vacation time. Total for these three items is \$26,997.13.

How would you like your Epson powerlite projector returned to you? You will be given shipping information regarding the personal computer in your possession.

There is an additional matter that we should also address at this time: You will see in the Stock Purchase Agreement executed on March 10, 2006 among you, Critical RF and MCLM, that you made the representation that your company owned all the rights to the software. After the closing of the Stock Purchase Agreement transaction it was discovered that the representation was not true and that Critical RF, Inc. did not own the software source code or the rights to it. It then became necessary to negotiate with the actual owner of the source code, and after these negotiations these rights were eventually purchased from the owner for a total price of about \$13,500.00. The following is language quoted from the Stock Purchase Agreement, Article III section b; ".....Seller and CRF represent that CRF owns all necessary intellectual property rights to the equipment, software and solutions currently marketed under the names Sitecast, SafetyNet and Virtual Base Station."

How do you propose to handle/cover this \$13,500.00 cost to cure the misrepresentation? I think it is in your and Critical RF's interest to have a clean break and to deal with all outstanding issues at this time.

Sincerely yours,

CRITICAL RF, INC.

A handwritten signature in black ink, appearing to read "Donald R. DePriest". Below the signature is the printed name "Donald R. DePriest, Chairman and CEO".

Donald R. DePriest, Chairman and CEO

Donald DePriest is Chairman and CEO of Critical RF, Inc.



Fwd:

Wednesday, April 7, 2010 8:33 AM

From: "Steve Calabrese" <calabresesteve4@gmail.com>

To: "A CALABRESE" <angelao48@bellsouth.net>, "Ray Fox" <foxes5@bellsouth.net>

FYI

STEVE

----- Forwarded message -----

From: **Don Depriest** <ddepriest@msmct.com>

Date: Wed, Apr 7, 2010 at 5:23 AM

Subject:

To: calabresesteve4@gmail.com

Cc: "Smith, Tim" <tim.smith@criticalrf.com>, Aric Holsinger <aricholsinger@verizon.net>

EMail from Donald DePriest copying Tim SMith and Aric Holsinger and stating the "Company", which must refer to MCLM since it purchased Critical RF and is the one in the contract with Mr. Calabrese.

Steve,

The only thing ever received by Tim Smith (the Company) after the purchase of CRF was a CD labeled "source code". All that was on the CD was the libraries, there were no source files. You did supply the server and client software which was an eQSO version, however, there was no source and it was not possible to make any modifications to the software supplied.

I want to wrap up all outstanding matters relating to your employment with Critical RF as well as conclude the economic items relating to the purchase of CRF. Unless you have proof, which the Company does not have, then the \$13,500.00 must be taken into consideration.

Sincerely,

Don DePriest

From: Steve Calabrese [mailto:calabresesteve4@gmail.com]**Sent:** Monday, April 05, 2010 12:37 PM**To:** ddepriest@msmct.com**Subject:** RE:

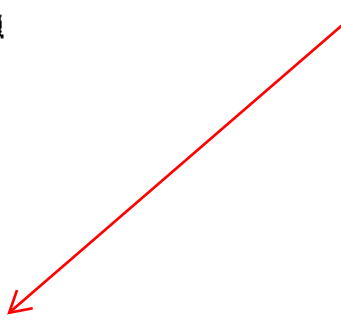
1705 Vestal Drive

Coral Springs, FL 33071

April 3, 2010

1705 Vestal Drive
Coral Springs, FL. 33071

April 12, 2010



Mr. Donald R. DePriest
MCT Columbus
206 8th Street N.
Columbus, MS. 39701

Dear Mr. DePriest:

If it is true that your interest is to "wrap up our relationship quickly", then it is obvious that you should now send me a copy of the contested charge of \$13,500, in the form of a cancelled check. Back on January 24, 2010, I sent a letter to you and Aric Holsinger, requesting access to all financial disbursements. My request was the result of being told by Aric and Tim Smith, of the dire financial straits of the company, which was the reason given why I was denied my just compensation. If you recall, you then called me, we discussed the issue, and you deposited approximately \$6500.00, which only covered me for 3 pay periods, since I had not received a paycheck since mid October, 2009. As the second largest shareholder, I was denied access to this information, and was quickly demoted to "technical assistant", from my original contract title of Chief Technology Officer. In addition, I also agreed in March, 2009, to take a \$26,000 pay cut to benefit the company.

It would be obvious to deduce from the lack of corporate transparency regarding financial dealings, that at a minimum I would require a copy of the checks paid for this expense you are trying to now introduce into the matter.

Please send me the cancelled check or checks for my inspection, or pay me the already established debt of \$26,999.13

Sincerely,

Stephen J. Calabrese

Mr. Donald R. DePriest
MCT Columbus
206 8th Street N.
Columbus, MS. 39701

Dear Mr. DePriest:

When the Stock Purchase Agreement was signed on March 10, 2006 I supplied the open source code I had obtained from our partners in the UK (Dean's eQSOX source code for the Linux verison) and software capable of supporting the then current versions of the SiteCAST, SafetyNET, and Virtual Base Station (VBS), platforms.

Several years later the company paid \$13,500.00 for items including a more complete source code which allowed us to create and support new products not in existence at the time of the Stock Purchase Agreement of March 10, 2006. Namely, iWalkie. This was never part of the original contract in which you purchased my company stock for \$1,000. There was no misrepresentation on my part and this is not a valid claim.

I am in agreement with your computation of \$26,997.13 as the amount which is owed to me by Critical RF. I would appreciate your payment of this amount as soon as possible. At that time I will return any company property in my possession.

Sincerely,

Stephen J. Calabrese

**Accrued Compensation**

Monday, March 29, 2010 4:27 PM

From: "Steve Calabrese" <calabresesteve4@gmail.com>

To: ddepriest@msmct.com

Mr. Donald R. DePriest
1601 Greentree, Suite C
Clarksville, IN 47129

March 29, 2010

Dear Don DePriest:

In response to your letter, which I received in the late afternoon of Friday, March 26, 2010, the following is a summary of the payments I am owed by Critical RF.

My un-reimbursed expenses total \$3,058.55 (exhibit #1)

My accrued vacation (per your letter) is \$4,576.40

My unpaid salary from January 1 2010 - March 12, 2010 for 6.5 pay periods -12/15 - 3/15 is \$18,958.24 (exhibit# 2)

The total of the above listed total compensation is \$ 26,285.25.

Please see the enclosed attachments for a summary of the above listed expenses and compensation (sent FedEx on Mar 29th 2010)

Before receiving your letter, I had already returned the company equipment in my possession consisting of a demo SiteCAST box, demo radios, antenna & coax, 3G router, 3G aircard, Pelican case and all associated cables.

Furthermore, records show I left my Epson powerlite projector at the Clarksville office in which I purchased in 2003.

I will be happy to return my personal computer as soon as I receive payment and remaining personal property.

Very truly yours:

Stephen J. Calabrese
1705 Vestal Drive
Coral Springs, FL 33071



Employment contract

Wednesday, March 24, 2010 9:58 AM

From: "Steve Calabrese" <calabresesteve4@gmail.com>
To: ddepriest@msmct.com

1705 Vestal Drive
Coral Springs, Florida 33071

March 22, 2010

Don DePriest
206 8th Street North
Columbus, Mississippi 39701

Dear Don DePriest:

Following up on our meeting of March 5, 2010 I wanted to inform you that I consider your failure to pay me for the past 3 and a half months a material breach of our contract. Since I lived up to all my obligations under the contract I consider your failure to pay me termination without cause. Therefore I no longer consider myself bound by any terms of our contract of March 13, 2006 .

Respectfully,
Stephen J Calabrese

----- Original Message -----

From: Don Depriest <ddepriest@msmct.com>

Date: Monday, March 15, 2010 6:17

Subject: Resignation

To: 'Steve Calabrese' <criticalrf1@insightbb.com>

Donald DePriest
on behalf of
Critical RF accepts
resignation of Mr.
Calabrese.

> Dear Steve,

>

>

>

> Critical RF, Inc. accepts your resignation contained in your

> e-mail message effective as of the time of the message. I

> withdraw the offer

> to hold off until 5:00 today to accept your resignation.

> If, in the future,

> we can sit down calmly and have a productive discussion I would

> like to do

> that. If at that time we can establish a relationship with mutually

> agreeable terms we will do so. It is in your best interest and

> ours to

> refrain from harming relationships with customers and

> vendors. In the

> meantime avoid any criticism of the company and its

> personnel. A

> calculation will be made of any accrued salary due to you and

> paid as soon

> as possible. Please provide receipts for reimbursement if any company

> related expenses are due you.

>

>

>

> Sincerely,

>

>

>

> Don DePriest

>

>